

World Trademark Law Report

This article first appeared in World Trademark Law Report on 20/05/2004. Please visit www.worldtrademarklawreport.com.

Switzerland

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Time's up for liberal registration practice for non-distinctive marks

In *Swatch Group SA v Swiss Federal Institute of Intellectual Property (IGE)*, the Swiss Supreme Court has ruled that to be registrable, a three-dimensional mark that is not inherently distinctive must be accompanied by a consumer survey showing that it has acquired distinctiveness through use. This departs from the previous liberal practice whereby inherently non-distinctive marks were found registrable upon evidence that they had been used over 10 consecutive years.

In the case at hand, the *Swatch Group* applied to register the battlement-shaped *hinge* of a watch bracelet as a three-dimensional mark. The IGE refused the registration despite the fact that Swatch had provided evidence that it had used that shape of hinges for 10 years. Instead, the IGE requested evidence of acquired distinctiveness based on a market survey. Swatch appealed but the Federal Commission of Appeal for IP Rights also held that survey evidence was necessary. Swatch appealed to the Supreme Court.

The Supreme Court affirmed the decision. It confirmed that in registration proceedings (and contrary to cancellation proceedings), acquired distinctiveness does not have to be proven but only made credible. The court nevertheless held that the IGE can decide on the level of evidence required, depending on the sign at hand.

Further, the court held that consumers tend not to consider the form of a product as a trademark. The fact that watches featuring hinges as shown in the trademark application had been sold in large quantities over many years was not sufficient to prove that consumers expect this part of the bracelet - ie, a small part of the whole product - to indicate the origin of the product. The court also held that the IGE did not violate Swiss trademark law when it required that Swatch provide evidence based on a market survey, in particular in light of the fact that similar hinges were very common on the market.

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